



# RESULTS of the ENEAA GROUP

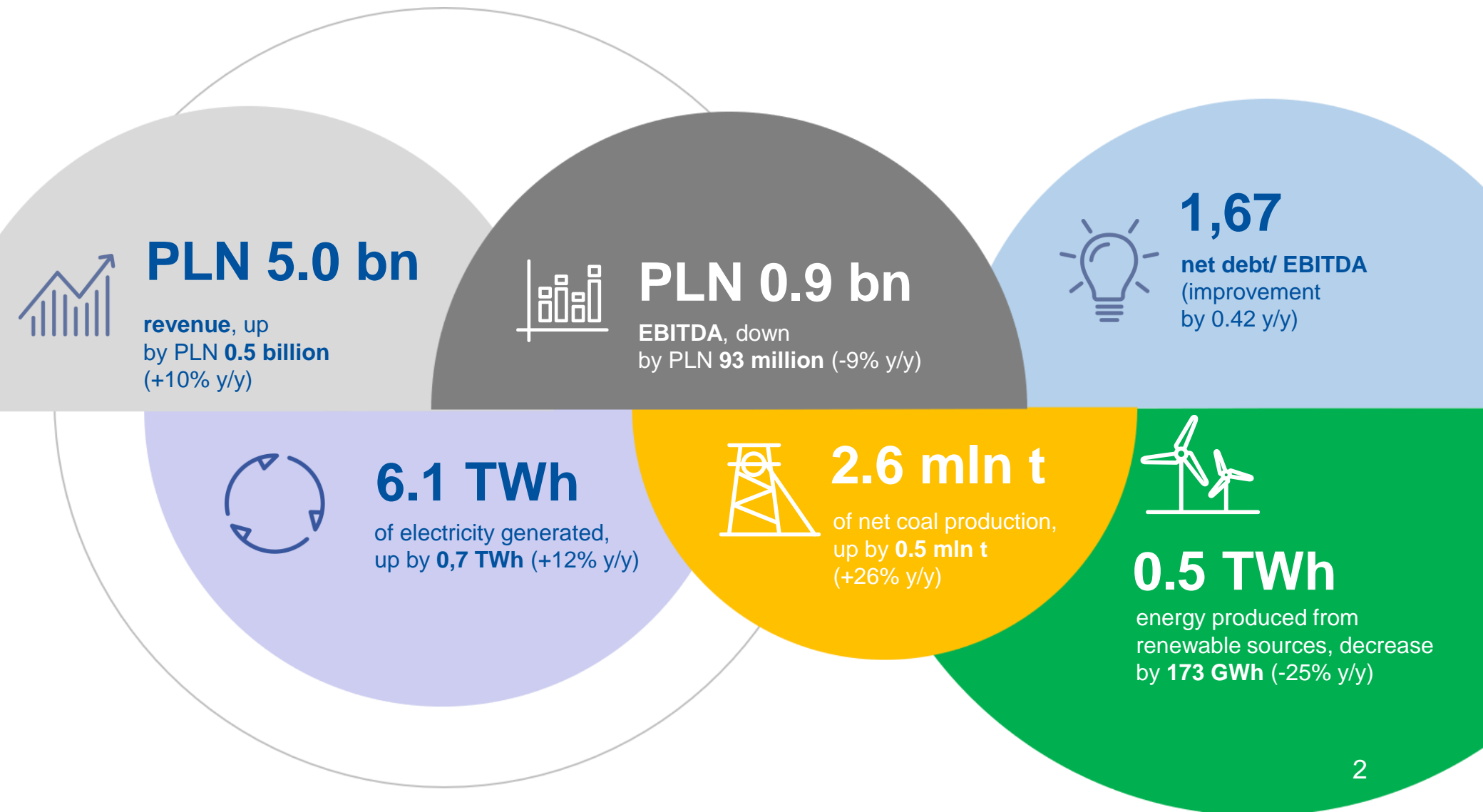
in Q1 2021



28 May 2021

# Results of the ENEA Group in Q1 2021

ENEA Group earned stable EBITDA and increased its revenue





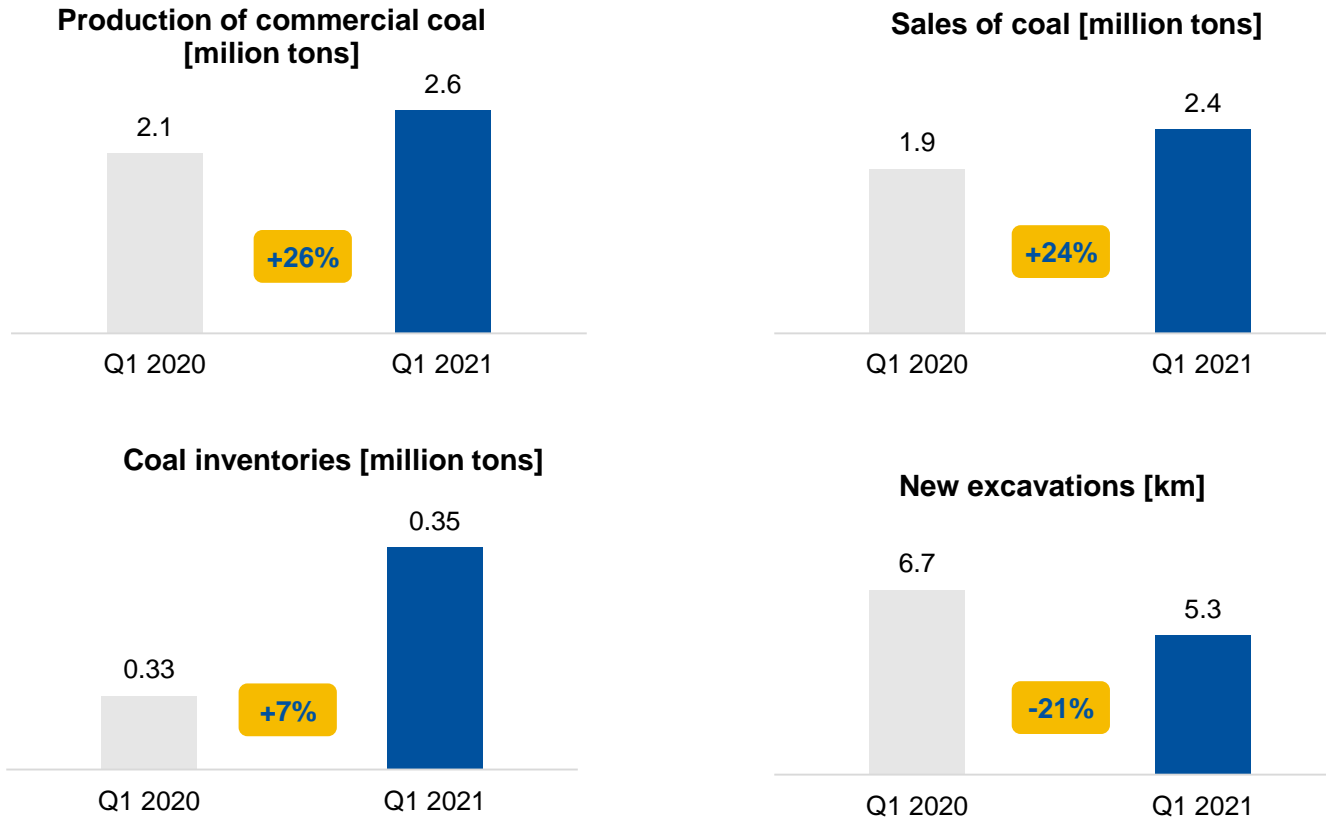
# MINING

Area

# Operating results of LW Bogdanka



LW Bogdanka posted excellent operating performance as a result of high yield



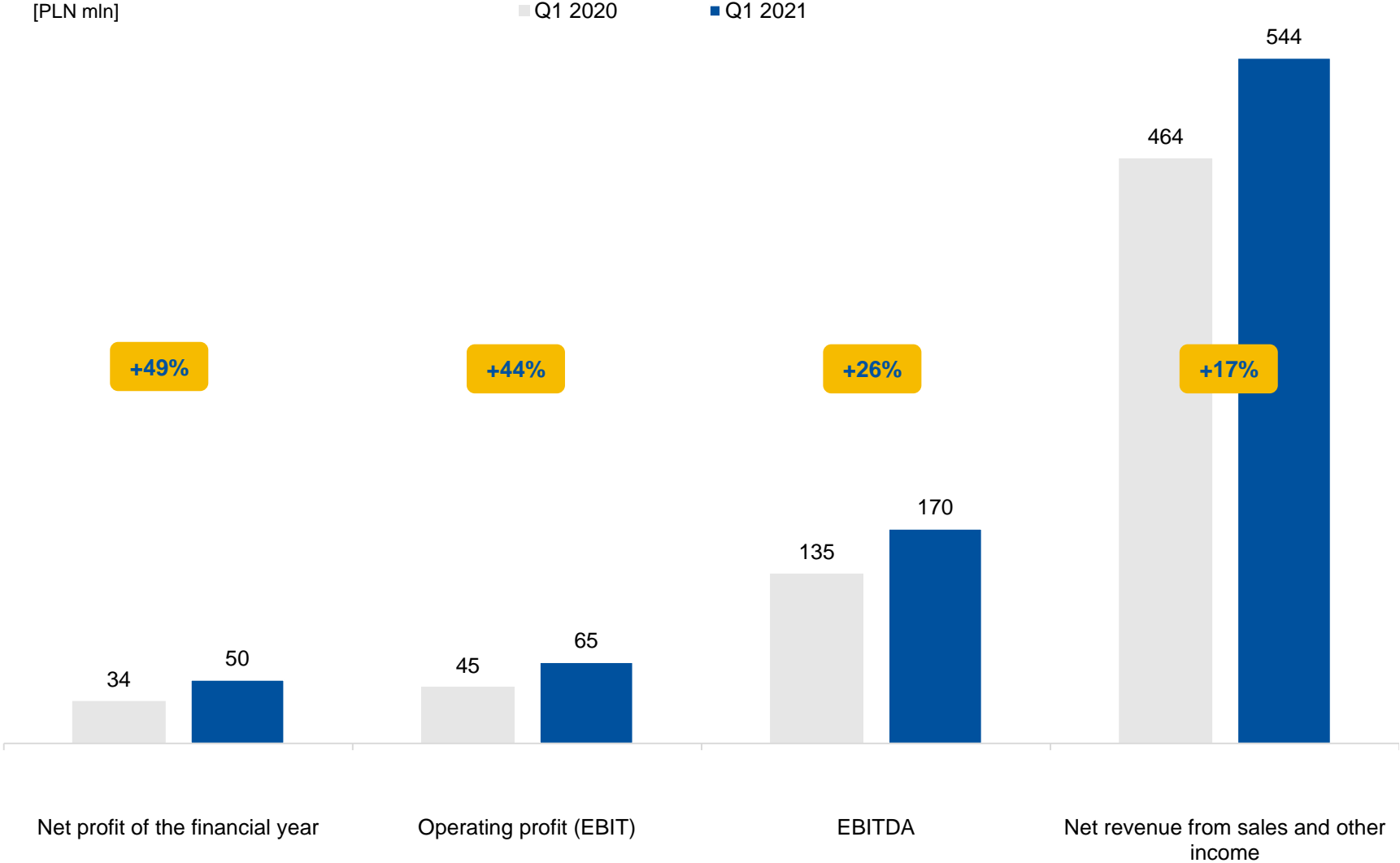
## Key drivers

- (+) Increase in yield – in Q1 2021 it was 72.3%, compared to 65.7% in Q1 2020
- (+) Increase in net production in Q1 2021 by more than 26%
- (+) Increase in sales of coal in Q1 2021 by over 24%

# LW Bogdanka Group's EBITDA in Q1 2021



EBITDA was affected by high sales levels



# EBITDA in Q1 2021



EBITDA was affected by higher sales

[PLN milion]



## Key drivers

- (+) Higher quantity of coal sold
- (-) Lower price of coal sold
- (-) Increase in production costs – higher gross extraction (in 2020 coal extraction and production was restricted in connection with the lower demand for electricity)



**MARKET**

Environment

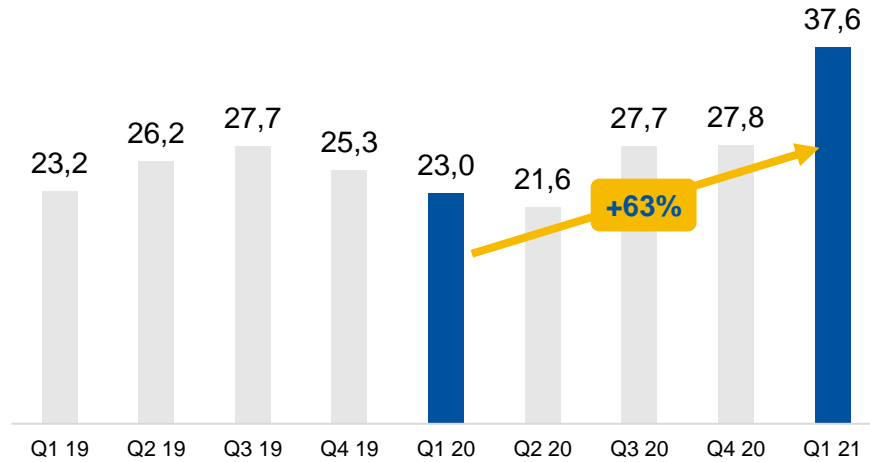
# Market environment



Energy prices remain under pressure from growing prices of CO<sub>2</sub> emission allowances

## CO<sub>2</sub> (Dec-20) emission allowances

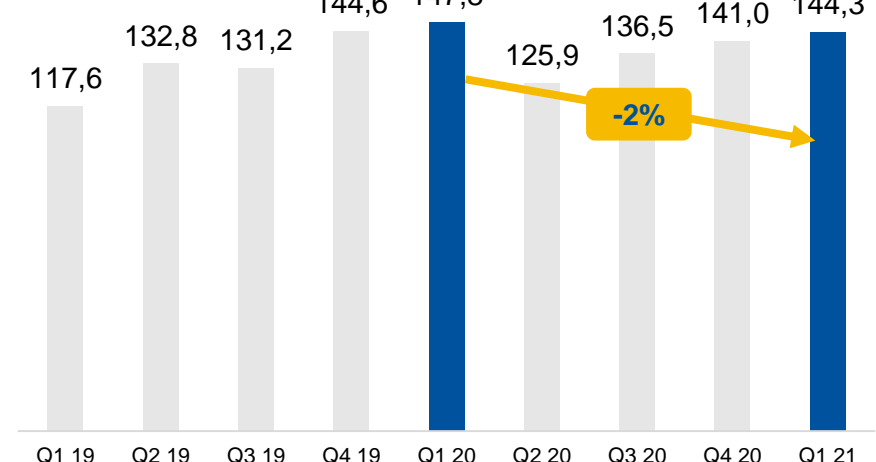
EUR/t



Source: ICE, clearing prices

## Prices of „green” property rights (PMOZE\_A)

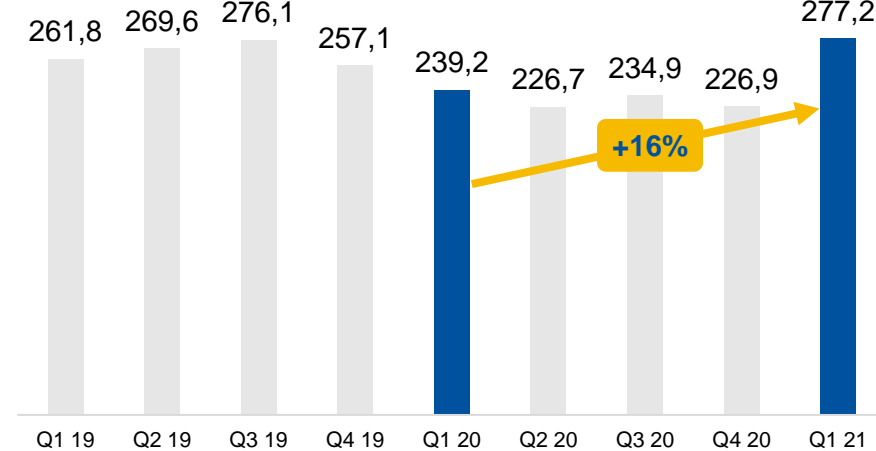
PLN/MWh



Source: PPE, session market indices

## BASE\_Y\_19/20/21 (band price)

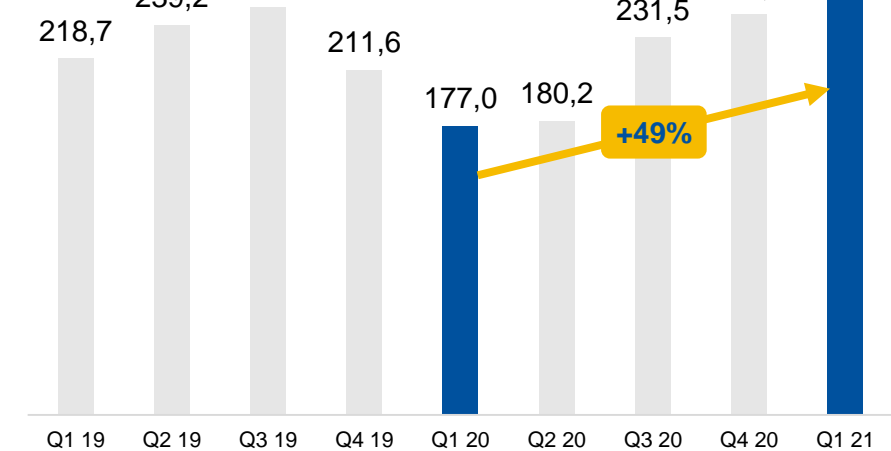
PLN/MWh



Source: PPE, clearing prices

## (Day-Ahead Market) BASE

PLN/MWh



Source: PPE, clearing prices





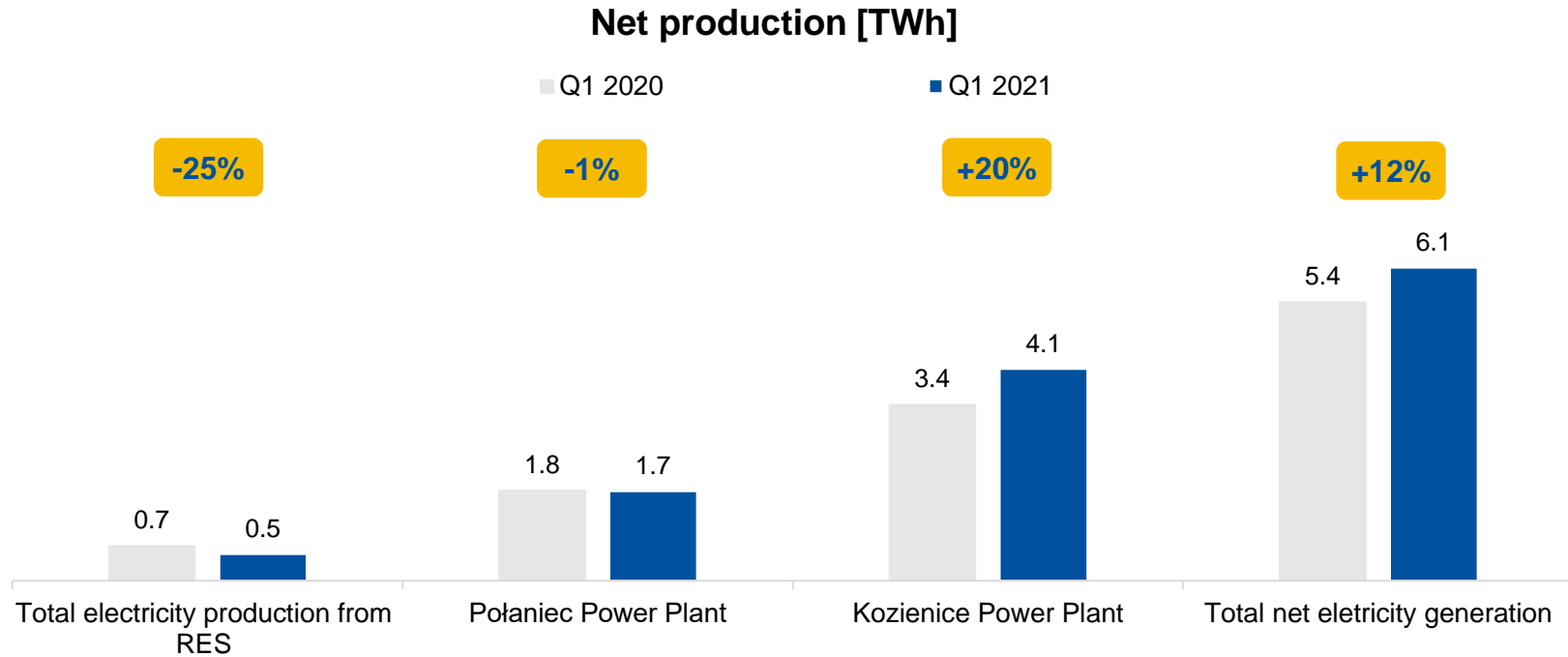
# GENERATION

Area

# ENEA Group's operational data



Higher production from conventional sources in Q1 2021



## Key drivers

- (+) Higher availability of conventional units because of the market circumstances
- (-) Lower production of energy from RES in Q1 2021 as a result of the unavailability of the Green Unit and worse weather conditions



# DISTRIBUTION

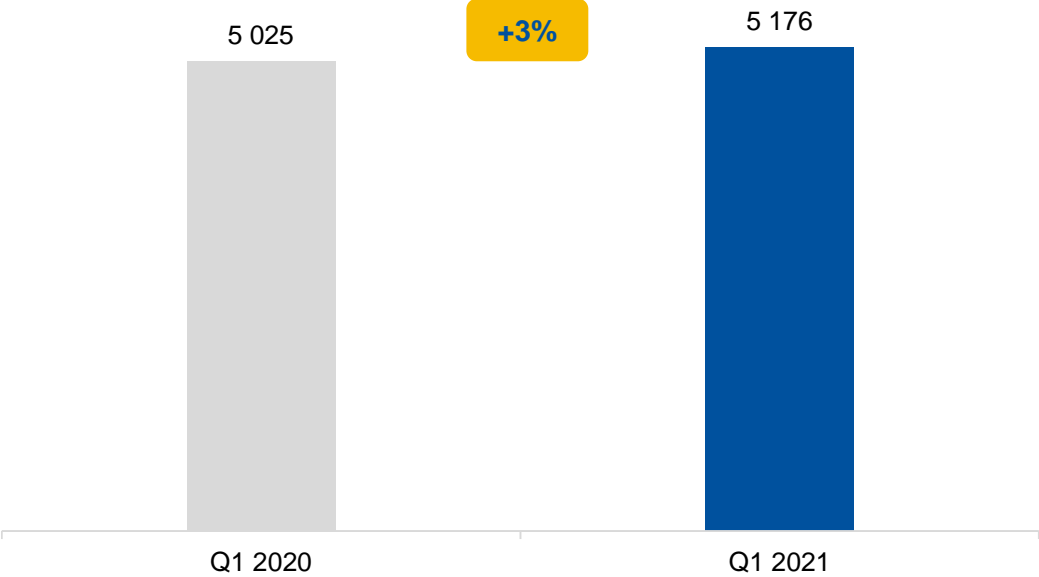
Area

# Volume of distribution services

We consistently expand our group of customers



Sales of distribution services to end users [GWh]



### Key drivers

- (+) Increase in the number of customers by 1.7%
- (+) Increase in sales of distribution services to households and businesses
- (+) More than 6.6 thous. new connections of renewable energy sources, including micro-installations



# TRADING

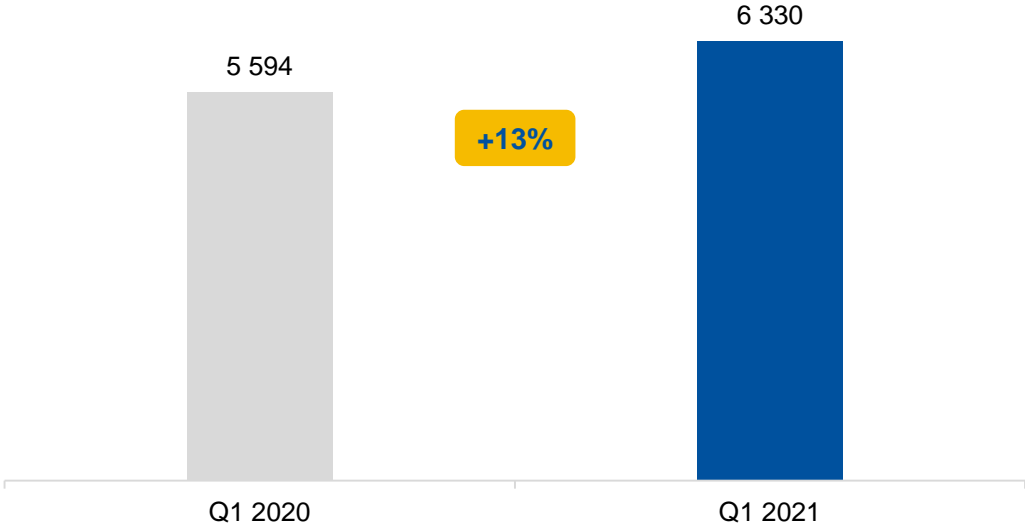
Area

# Volume of energy sales



Significant increase in sales in Q1 2021

Sales of electricity and gaseous fuel to retail customers [GWh]



### Key drivers

- (+) Increase in the sales volume of electricity in the household segment by approx 7%
- (+) Sales volume of electricity in the business segment up by almost 15%
- (+) Sales volume of gaseous fuel up by more than 21%

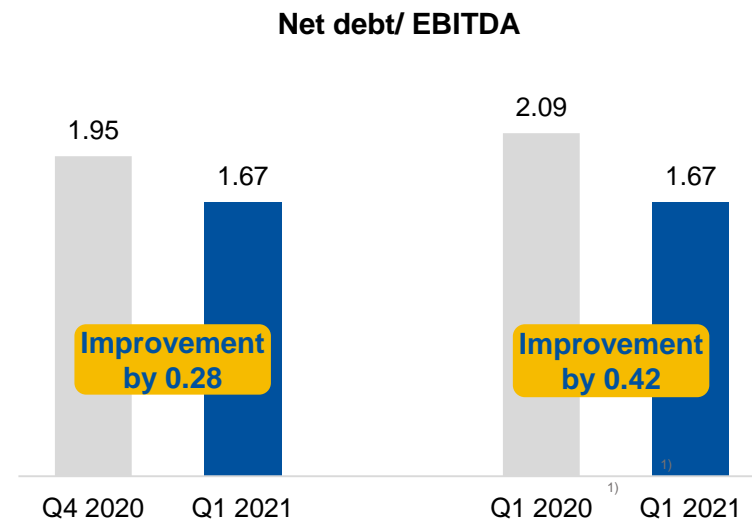
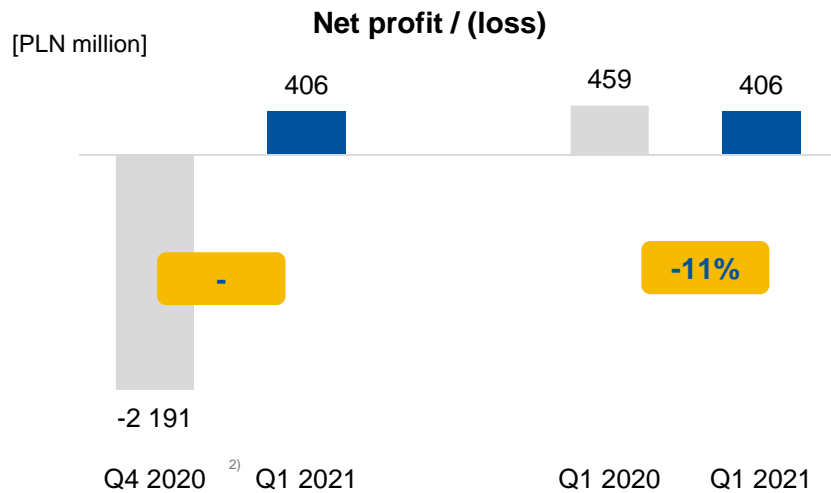
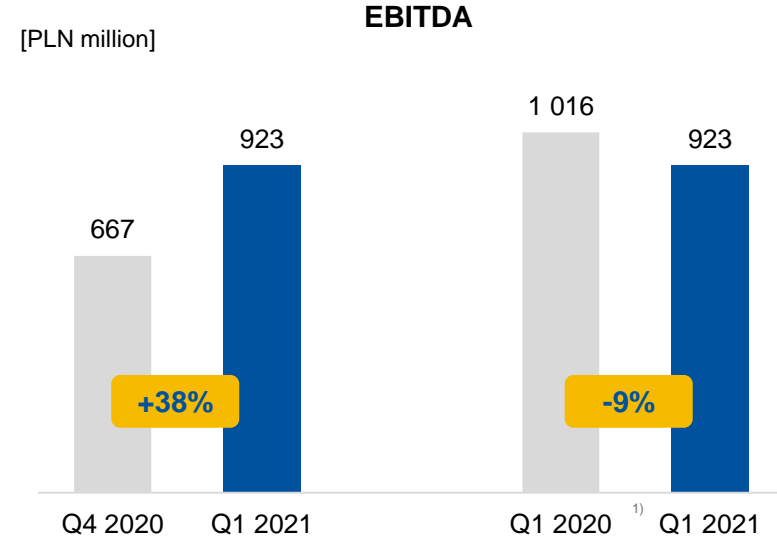
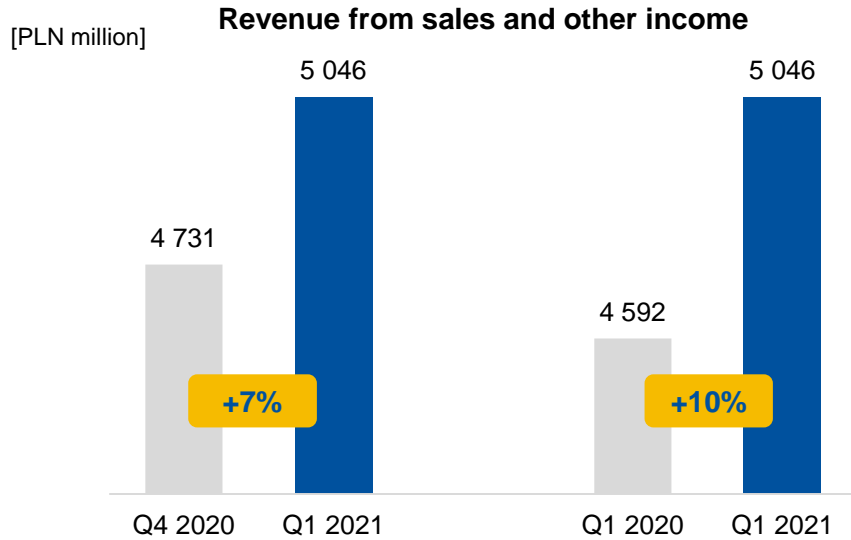


Financial performance in  
**Q1 2021**

# Key financial data



Stable financial situation of the ENEA Group



<sup>1)</sup> Restatement of data for presentation purposes in accordance with the consolidated financial statements.

<sup>2)</sup> Including: an impairment allowance on generating assets, an impairment allowance on the value of loans with interest granted to Elektrownia Ostrołęka Sp. z o.o.

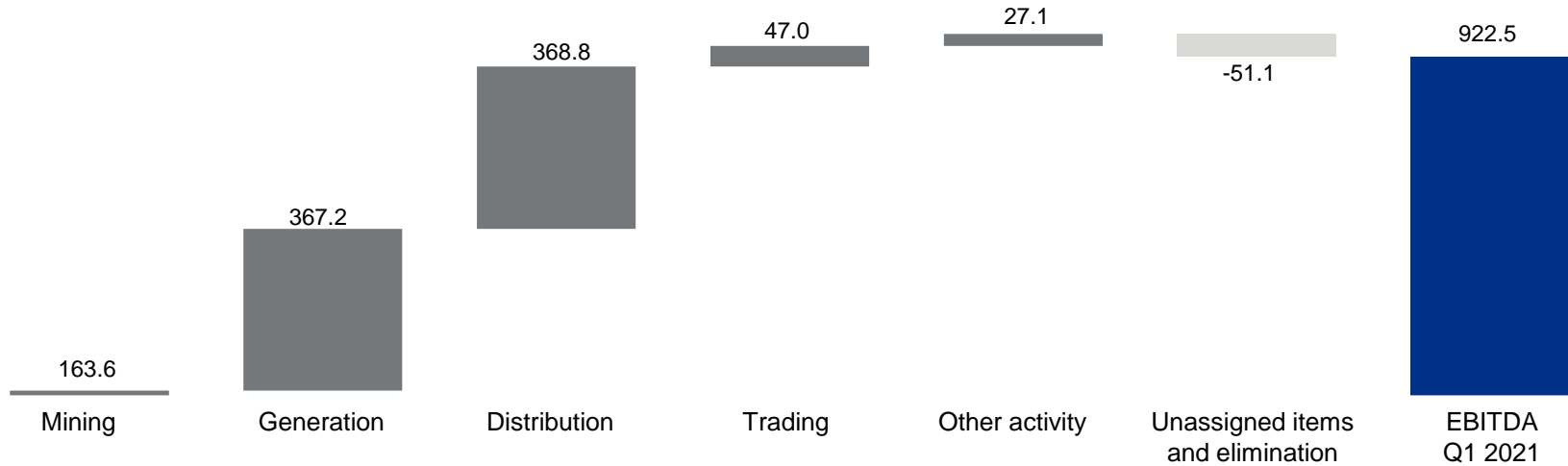


# EBITDA in Q1 2021



Improving the EBITDA result in Mining and Distribution areas

[PLN million]



## Mining

Higher revenue from sales [sales price down 5%, volume up 24%]

Mining cash cost of coal sold up by PLN 49 million

## Generation

Trading and Balancing Market margin down by PLN 143 million [lower unit margins, lower volume]

Generation margin down by PLN 117 million

Revenue from Regulatory System Services down by PLN 26 million

Revenue from the Capacity Market at PLN 213 million

## Distribution

Margin on licensed activity up by PLN 60 million [volume up by 151 GWh]

Operating expenses down by PLN 9 million

Result on other operating activities down by PLN 7 million

## Trading

Lower result due to the remeasurement of CO<sub>2</sub> contracts

Average energy sales price down by 2.1%

Cost of provisions related to onerous contracts up by PLN 25 million

Costs of environmental obligations up by 18.3%

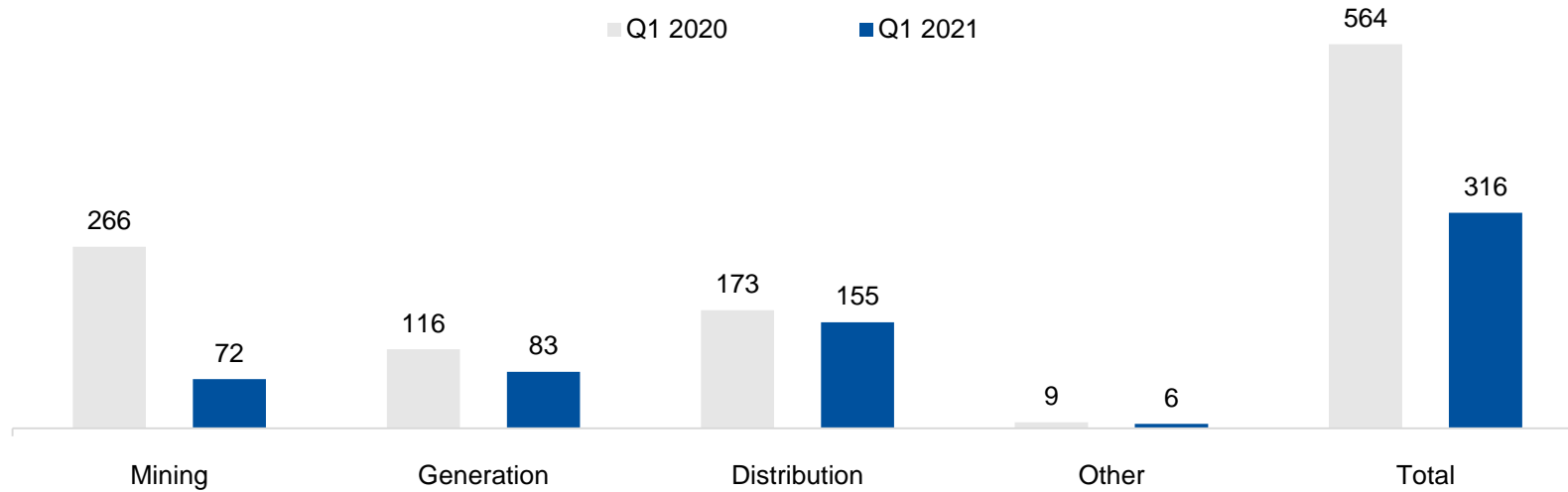
Average energy purchase price down by 6.9%

# Capital expenditures



CAPEX in the key areas of ENEA Group's activities

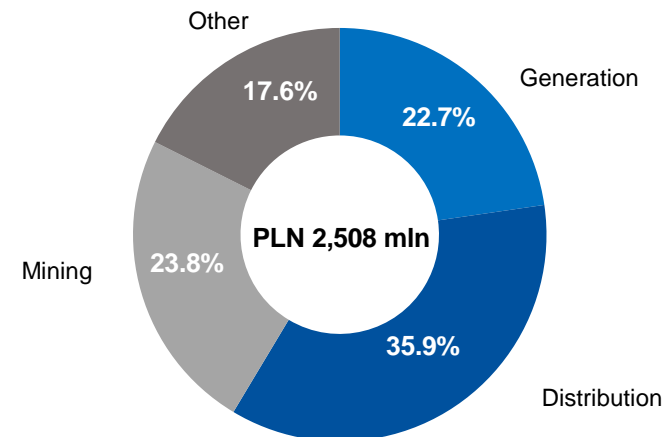
[PLN million]



**PLN 27.5 million**

designated for capital expenditures related to the protection of the environment in Q1 2021

## Execution Structure





# SOCIAL INVOLVEMENT

PLN  
**6.5**  
million

**ENEA Group is developing social projects and actively supports the fight with the pandemic**

**Nearly PLN 6.5 million – this is how much we donated for combating the coronavirus pandemic**

Starting in March 2020, the ENEA Group has been providing financial and material support to hospitals and treatment centers across Poland. By the end of 2020, we donated approximately PLN 5.5 million to 51 establishments. By March alone, we donated another million of Polish zloty.

- This aid gifted through the ENEA Foundation and LW Bogdanka is used, among others, to purchase medical equipment and necessary sanitary and personal protection products.
- This support is provided to medical centers in the areas where the ENEA Group operates. They included, among others, medical centers from Białystok, Koziernice, Świecie and Warsaw.
- The list of medical institutions receiving the support is developed in cooperation with the Minister of Health and the Ministry of State Assets..



## Women's Day with ENEA

- The ENEA Group got involved in the organization of aid for women who suffer from the economic, health or psychological effects of the pandemic.
- On March 8th, on the occasion of Women's Day, a charity concert was organized, which launched the social campaign supporting women.
- Due to the support of the ENEA Foundation, in the period from 8 to 31 March 2021, women were able to take advantage of psychological care free of charge; thanks to a fundraising campaign, the care was extended for another month. More than 50 women took advantage of the aid.



## ENEA Group is developing social projects and actively supports the fight with the pandemic



### **Help animals survive through winter – environmental education for the youngest**

The ENEA Group implemented an additional measure for the protection of birds. Pupils learned how to protect, and help feathered creatures in frosty weather.

Through the ENEA Foundation, 30 schools and kindergartens received bird feeders and bird feed.

The facilities also received educational materials and instructions on how to feed birds.

Schools and kindergartens in Poznań, Staszów, Zielona Góra, Połaniec, Piła and Szczecin signed up for the campaign.

### **ENEA for generations – care for senior citizens and ENEA's customers**

The goal of the project entitled “Enea for Generations. Together about Safety” is to educate, raise consumer awareness and support fire protection in households of our customers and in local communities.

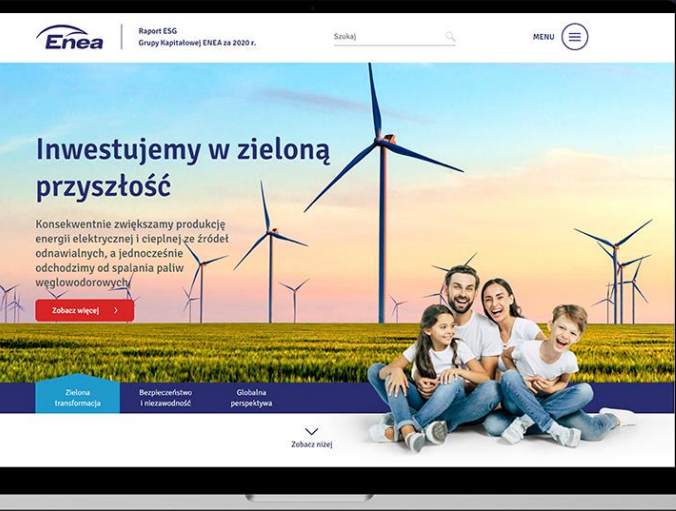
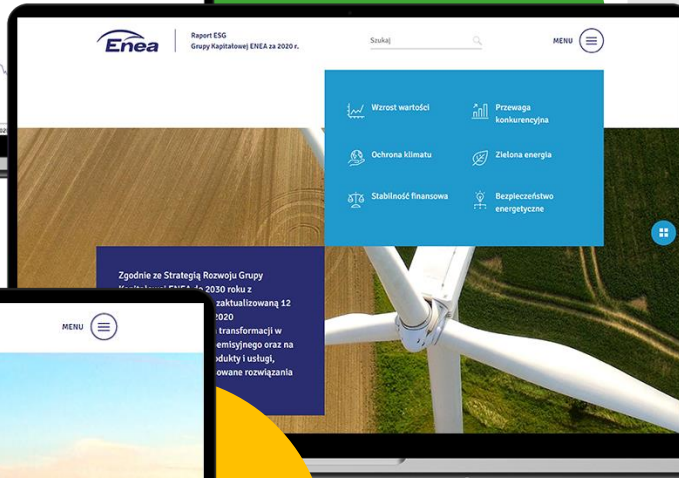
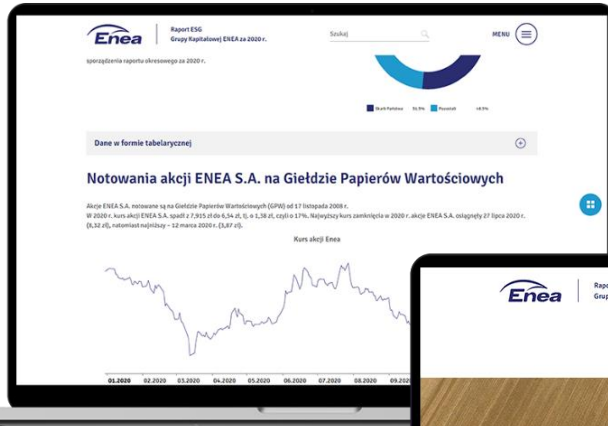
Due to safety concerns, in order to ensure good health of the participants, the previous events and direct meetings were replaced by webinars and virtual meetings devoted to health and safety of senior citizens.

The free TeleRada (TeleAdvice) hotline, launched last year, was continued. 5 days a week, within specific hours, experts in selected areas are available to offer their services: a dietitian, a lawyer, a social worker, a consumer ombudsman, a physician and a pharmacist.

# ESG Report of ENEA Group



The first ESG report, i.e. a comprehensive summary of our decisive actions in the field of environmental protection, social commitment and responsible management



- modern website
- prepared in accordance with the international GRI reporting standards
- does not only present the performance but also commitments for the future, e.g. for transition towards a zero-emission corporation
- the breakdown into the environmental, social responsibility and corporate governance areas – the ESG approach – forms the disclosure framework



**ATTACHMENTS**

## Operating results of LW Bogdanka



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Item	Q1 2020	Q1 2021	Change
Net production [000s of tons]	2 066	2 612	26.4%
Sales of coal [000s of tons]	1 918	2 383	24.2%
Inventories (at th end of the period) [000s of tons]	327	350	7.0%
Excavation works [km]	6.7	5.3	-20.9%

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## ENEA Group's operational data



ENEA Group's operational data [GWh]	Q1 2020	Q1 2021	Change
Total net electricity generation	5 431	6 089	12%
<i>from conventional sources</i>	4 737	5 568	18%
ENEA Wytwarzanie – Koźienice Power Plant	3 421	4 101	20%
MEC Piła	17	18	9%
ENEA Połaniec Power Plant	1 230	1 348	10%
ENEA Ciepło	69	100	45%
<i>from Renewable Energy Sources</i>	694	521	-25%
ENEA Nowa Energia	113 <sup>1)</sup>	78	-31%
ENEA Połaniec Power Plant	528	396	-25%
ENEA Ciepło	53	47	-13%

<sup>1)</sup> Data on net electricity generation in the RES Segment of ENEA Wytwarzanie

## Volume of distribution services

ENEA Group's sales data [GWh]	Q1 2020	Q1 2021	Change
Sales of distribution services to end users	5 025	5 176	3.0%

## Results of the Generation Area



### Generation, including:

[PLN million]	Must-run power plants			Heat			RES		
	Q1 2020	Q1 2021	Change	Q1 2020	Q1 2021	Change	Q1 2020	Q1 2021	Change
Revenue from sales and other income	1 747	1 876	129	162	202	40	197	172	-25
EBIT	235	162	-73	39	50	11	57	56	-1
EBITDA	350	236	-114	54	64	10	68	67	-1
CAPEX	107	76	-31	5	5	-	4	2	-2

## Volume of energy sales



ENEA Group's sales data [GWh]	Q1 2020	Q1 2021	Change
Sales of electricity and gaseous fuel to retail customers	5 594	6 330	13,2%

## Key financial data of the Group

ENEA Group's financial data [PLN million]	Q1 2020 <sup>1)</sup>	Q1 2021	Change
Revenue from sales and other income	4 592	5 046	10%
EBITDA	1 016	923	-9%
EBIT	634	548	-14%
Net profit / (loss) for the reporting period	459	406	-11%
Net profit/(loss) attributable to shareholders of the parent company	445	386	-13%
Net debt / EBITDA	2.09	1.67	-0.42

<sup>1)</sup> Restatement of data for presentation purposes in accordance with the condensed interim consolidated financial statements



# RESULTS of the ENEA GROUP

in Q1 2021



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